

The background of the slide features the Seal of the State of Indiana. It is a circular emblem with a gold border. Inside the border, the words "SEAL OF THE STATE OF INDIANA" are written in a circular path. The center of the seal depicts a landscape with a river, a rising sun, and a figure holding a torch. At the bottom of the seal, the year "1816" is inscribed.

Fall Auditor Conference

Auditor of State
Settlement Department
October 22, 2015

Settlements@auditor.in.gov

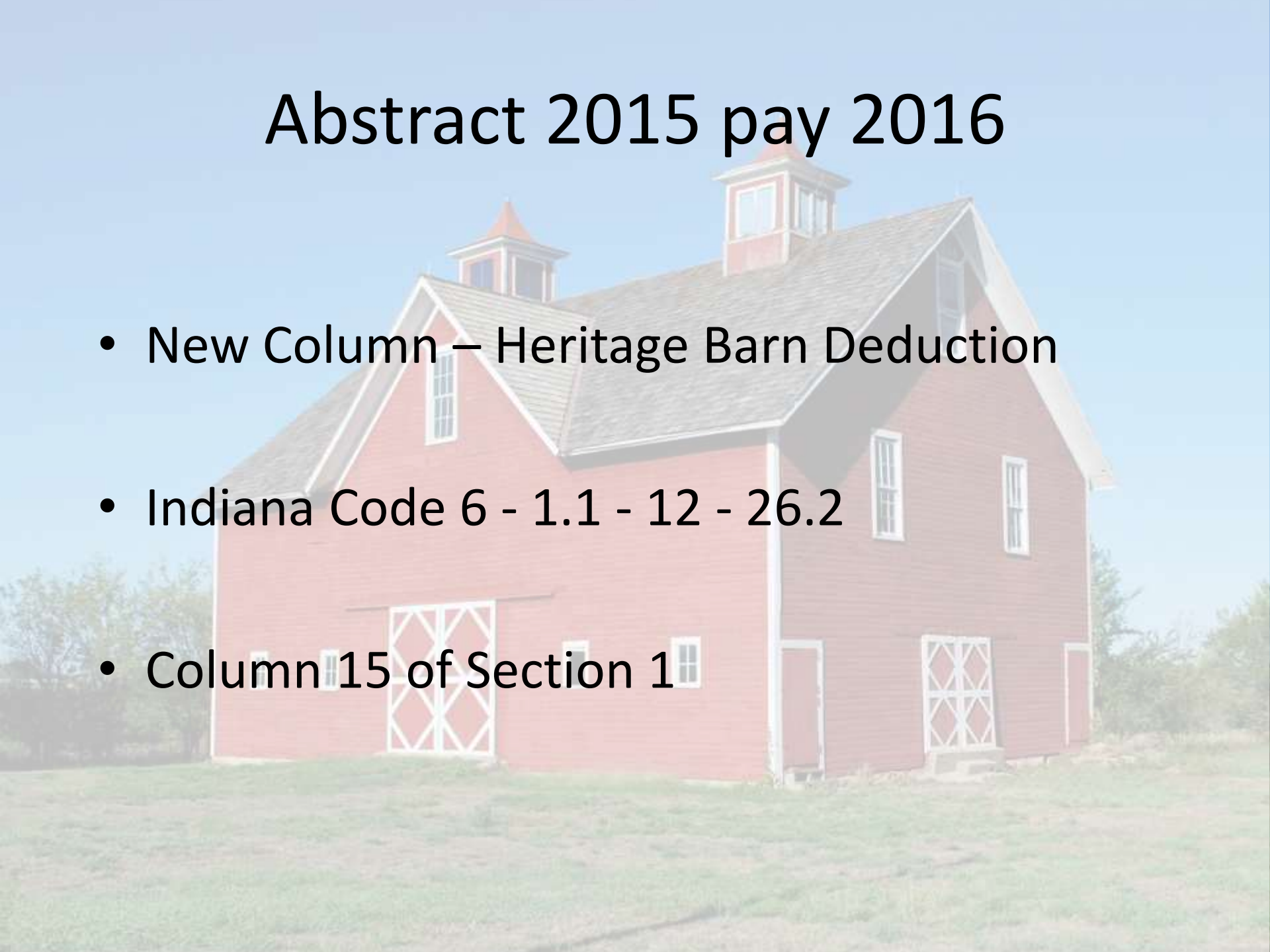
December Settlement

Ryan Petter



Abstract 2015 pay 2016

- New Column – Heritage Barn Deduction
- Indiana Code 6 - 1.1 - 12 - 26.2
- Column 15 of Section 1



Abstract 2015 pay 2016

SECTION 1A	SECTION 1A	SECTION 1A	SECTION 1A	SECTION 1A	SECTION 1A SECTION 1A
14	15	16	17	18	19
MODEL RESIDENCE DEDUCTIONS	HERITAGE BARN DEDUCTIONS	RESIDENCE IN INVENTORY	TAX EXEMPT PROPERTY	TIF	NET VALUE OF REAL ESTATE
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0

The background of the slide features a large, faint, circular seal of the State of Indiana. The seal's outer ring contains the text "SEAL OF THE STATE OF INDIANA" at the top and "1816" at the bottom, separated by two small star motifs. The central image of the seal depicts a landscape with a rising sun over mountains, a river, and a Native American figure holding a bow and arrow.

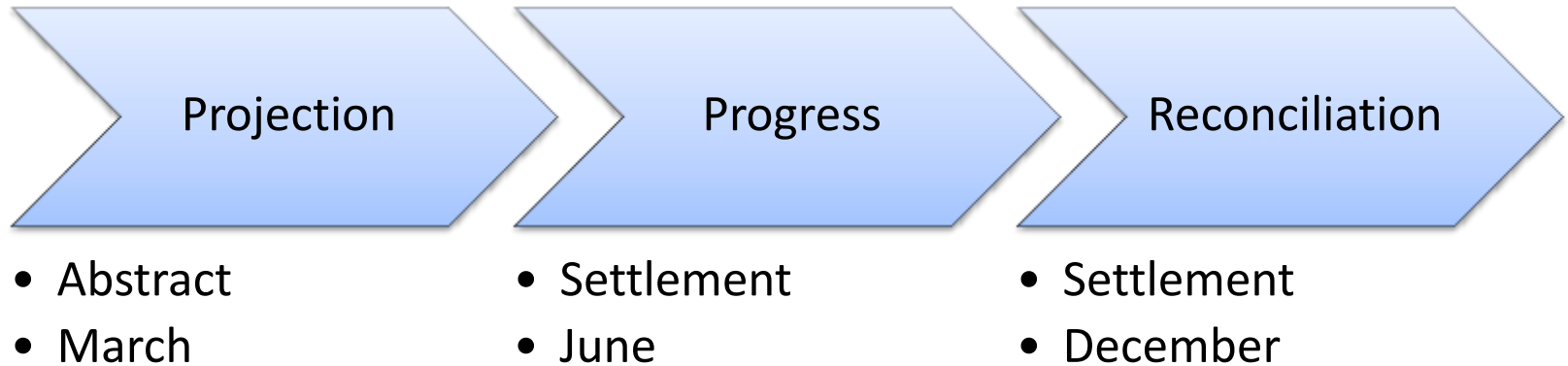
December Settlement

Ryan Petter

Presentation Outline

- Annual Property Tax Cycle
- Timeline
- Settlement Fines and Fees
- AOS review process

Annual Property Tax Cycle



We collect, review, and print three reports annually: the Abstract, the June Settlement Form 105, and the December Settlement Form 105. These forms are records of taxes that will be charged, collected, and distributed each year.

Goal of December Settlement

- Accurate, complete reports of property and excise taxes collected and distributed



Timeline

- Retrieve settlement forms from FTP site
 - Read State Auditor's Settlement Instructions
- Read tax software provider's instructions

• Nov 1 • • • • • Dec 31

Timeline

- Complete settlement forms
 - 8 required documents vs 6 in June
 - Certificate of Error
 - 17TC

• Nov 1 • • • • • Dec 31

Timeline

- Format of Settlement Files
 - Excel
 - 2015 Edition



• Nov 1 • • • • • Dec 31

Timeline

- Use December Checklist to verify Settlement is correct and complete
 - Many areas to review



• Nov 1 • • • • • Dec 31

Timeline

- Email completed forms to settlements@auditor.in.gov
- 40 of 92 Counties pre-approved in final two weeks of December 2014
- Goal is pre-approval on first attempt



A horizontal timeline bar with a blue gradient. It starts with a white dot and the text "Nov 1" on the left, followed by four white dots, and ends with a white dot and the text "Dec 31" on the right.

• Nov 1 • • • • • Dec 31

Timeline

- Distributions by December 31st
 - State
 - Taxing Units
- Amounts received after cut-off
 - December 2014 - \$27 million and 22%
 - June 2015 - \$9 million or 8%

• Nov 1 • • • • • Dec 31

AOS Review

- Quicker response
- Comprehensive review of 105
 - Line 7 of Section A-1
 - Section C
- Year to Year changes
- Ratio analysis
- HSC and PTRC

AOS Review

LOIT Calculation

	Abstract
—	June
±	Adjustments
<hr/>	
	December

Petter County

	\$300,000
—	\$150,000
—	\$2,000
<hr/>	
	\$148,000

DECEMBER

SETTLEMENT SHEET FOR

ENTER NAME HERE

COUNTY, INDIANA

For Collection of State, County Revenue and Other Taxes for the Year

2013 Payable in

2014

SECTION A	JUNE SETTLEMENT	NET TAX, PENALTY & INTEREST	PROPERTY TAX REPLACEMENT CREDIT	HOMESTEAD CREDIT	TOTAL
1	Collection Certified by County Treasurer				
2	Property Tax	0.00	0.00	0.00	0.00
3	Before Apportionment Adjustments				
4	Less: Erroneous Tax, Penalties and Interest Refunded	0.00			0.00
5	Less: State's Share of 2008 and Prior Delinquent Tax and Penalties Collected	0.00	XXXXX	XXXXX	0.00
6	Plus: Late Payment Penalties on Unpaid Special Assessments Collected	0.00	XXXXX	XXXXX	0.00
7	Plus or Minus: Other Before Apportionment Adjustments	0.00			0.00
8	Net Property Tax For Apportionment	0.00			0.00
9	Less: Property Tax For Apportionment	0.00	XXXXX	XXXXX	0.00
10	TOTAL FOR APPOINTMENT: Total of Lines 8 and 9	0.00	XXXXX	XXXXX	0.00
SECTION A-1 DECEMBER SETTLEMENT					
11	CHARGES				
12	Charges Based on Status Assessed				
13	Current Property Taxes	0.00			0.00
14	Less: Assessment Penalty	0.00	XXXXX	XXXXX	0.00
15	Statement Processing Charge	0.00	XXXXX	XXXXX	0.00
16	Delinquent Taxes, Penalties and Interest	0.00	XXXXX	XXXXX	0.00
17		0.00			0.00
18	Addition Charges and Assessments During Year				
19	Current Tax Including Tax for Prior Years, Other Than Delinquent Tax Recognized	0.00			0.00
20	Delinquent Property Tax	0.00	XXXXX	XXXXX	0.00
21	Missed Home Tax	0.00			0.00
22	Less: Assessment Penalty, and Statement Processing Charge	0.00	XXXXX	XXXXX	0.00
23	Less: Assessment Interest	0.00	XXXXX	XXXXX	0.00
24	Addition Penalty Added on Prior Year Second Installment	0.00	XXXXX	XXXXX	0.00
25	Penalty on Current First Installment Delinquent	0.00	XXXXX	XXXXX	0.00
26	10% Penalty on Former Year's Tax Delinquent Added After May 10	0.00	XXXXX	XXXXX	0.00
27	Delinquent Tax, Penalties and Interest Recognized	0.00			0.00
28	Tax	0.00	XXXXX	XXXXX	0.00
29	Penalties and Interest	0.00	XXXXX	XXXXX	0.00
30	Delinquent Tax Adjustments Collected	0.00	XXXXX	XXXXX	0.00
31	TOTAL CHARGES - Total of Lines 12 to 30	0.00	XXXXX	XXXXX	0.00
32	CREDITS				
33	Amount of This Settlement (Including All Charges and Assessments During Year)				
34	Current Second Installment	0.00	XXXXX	XXXXX	0.00
35	Current First Installment	0.00	XXXXX	XXXXX	0.00
36	Addition Penalty on Prior Year Second Installment Delinquent	0.00	XXXXX	XXXXX	0.00
37	Penalty Current First Installment	0.00	XXXXX	XXXXX	0.00
38	10% Penalty on Former Year's Tax Delinquent Added After May 10	0.00	XXXXX	XXXXX	0.00
39	Former Taxes Delinquent Tax	0.00	XXXXX	XXXXX	0.00
40	All Penalties and Interest Unpaid (Except Lines 26, 27 and 28)	0.00	XXXXX	XXXXX	0.00
41	Total Unpaid at This Settlement - Total of Lines 24 to 38	0.00	XXXXX	XXXXX	0.00
42	Tax Paid, and All Credits to Date at Closed Court	0.00	XXXXX	XXXXX	0.00
43	Certificates of Error Issued During Year	0.00			0.00
44	TOTAL CREDITS - Total of Lines 34 to 43	0.00	XXXXX	XXXXX	0.00
45	TOTAL COLLECTED THIS YEAR - Line 21 minus Line 34	0.00			0.00
46	Property Tax at June Settlement - Line 3, Section A	0.00			0.00
47	AMOUNT FOR APPOINTMENT - Line 10 minus Line 46	0.00			0.00
48	Before Apportionment Adjustments				
49	Less: Erroneous Tax, Penalties and Interest Refunded	0.00			0.00
50	Less: State's Share of 2008 and Prior Delinquent Tax and Penalties Collected	0.00	XXXXX	XXXXX	0.00
51	Plus: Late Payment Penalties on Unpaid Special Assessments Collected	0.00	XXXXX	XXXXX	0.00
52	Plus or Minus: Other Before Apportionment Adjustments	0.00			0.00
53	Net Property Tax For Apportionment	0.00			0.00
54	Less: Property Tax For Apportionment	0.00	XXXXX	XXXXX	0.00
55	TOTAL NET AMOUNT FOR APPOINTMENT - Total of Lines 53 and 54	0.00	XXXXX	XXXXX	0.00
SECTION C - REMITTANCE					
56	DOE STATE ON ACCOUNT OF	AMOUNT			
57	Infraction Judgment	0.00			0.00
58	Overweight Vehicle Fees	0.00			0.00
59	Spring Zephyr Benefit	0.00			0.00
60	Unpaid Gasoline Tax	0.00			0.00
61	Consumer's Counseling Education Fee	0.00			0.00
62	Adult & Juvenile Offender's Motorists Compact Fee	0.00			0.00
63	Mortgage Recording Fee	0.00			0.00
64	Civil Resident Fee	0.00			0.00
65	Carnet Renewal and Education Fund	0.00			0.00
66	Forest Restoration Fund	0.00			0.00
67	Sex/Violent Offender Registration Fee	0.00			0.00
68	DL/IF Homestead Property Data Base Fund	0.00			0.00
69	Violent Crime Victims Compensation Fund	0.00			0.00
70		0.00			0.00
71		0.00			0.00
72		0.00			0.00
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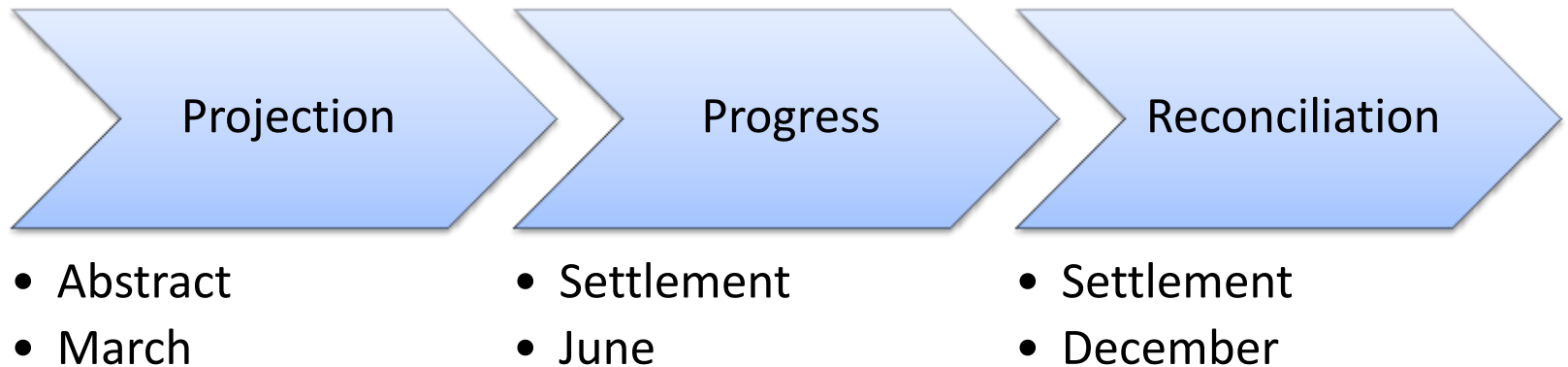
Settlement Fines and Fees

	SECTION C	REMITTANCE
	DUE STATE ON ACCOUNT OF	AMOUNT
1	<u>Infraction Judgment</u>	49,708.99
2	Overweight Vehicle Fines	7,976.35
3	<u>Special Death Benefit</u>	2,619.84
4	<u>Sales Disclosure Fee</u>	4,417.68
5	<u>Coroner's Continuing Education Fee</u>	3,268.46
6	Adult & Juvenile Offender Interstate Compact Fee	817.99
7	<u>Mortgage Recording Fee</u>	3,467.62
8	Child Restraint Fine	1,040.45
9	Canine Research and Education Fund	203.90
10	Forest Restoration Fund	830.48
11	Sex/Violent Offender Registration Fee	342.40
12	DLGF Homestead Property Data Base Fund	4,344.30
13	Violent Crime Victims Compensation Fund	1,176.21

Settlement Fines and Fees

- General rule: Use November 30th balances.
 - Exception: If you file the Settlement before November 30th, use October 31st balances.

AOS Review



The background of the slide features a large, faint, circular seal of the State of Indiana. The seal's outer ring contains the text "SEAL OF THE STATE OF INDIANA" at the top and "1816" at the bottom, separated by two small star motifs. The central image of the seal depicts a landscape with a rising sun over mountains, a river, and a Native American figure holding a bow and arrow.

December Settlement

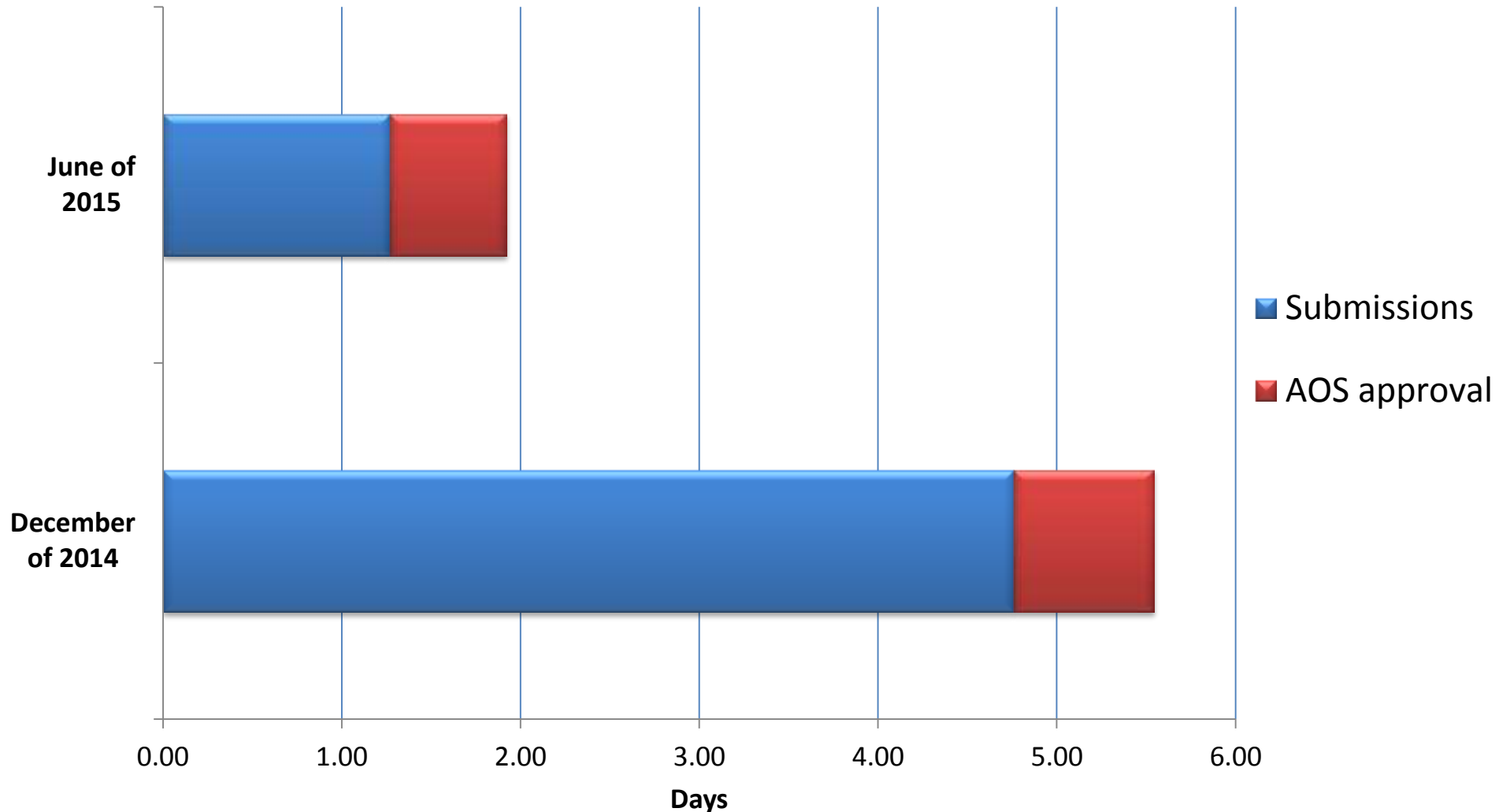
Joe Jacoby

AOS Review of Settlement

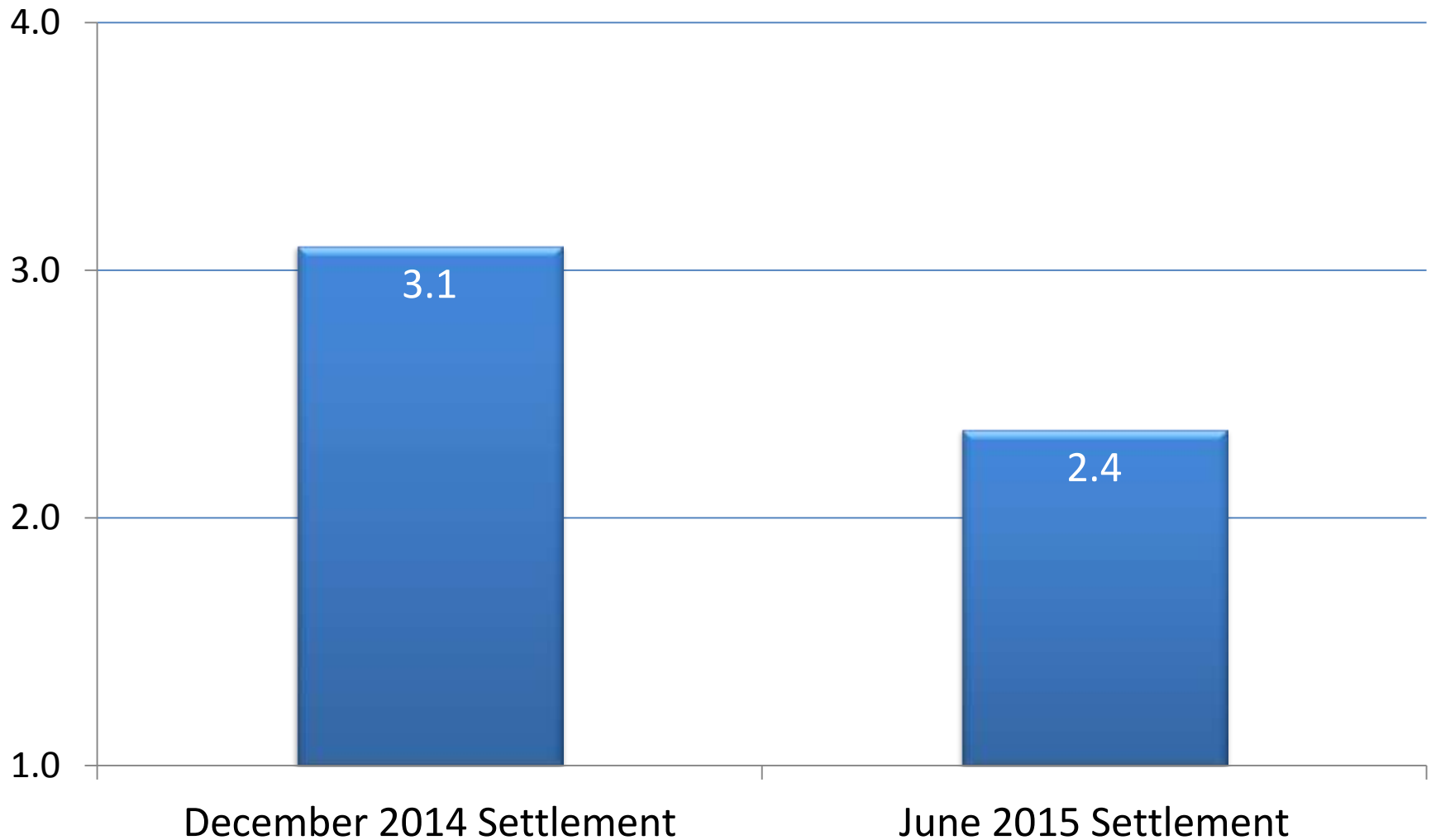
- We are continually evolving our review in an attempt to both increase our accuracy, and our speed.
- We are only one piece of this process,
 - Reducing the number of submissions helps your settlement, as well as the other 91 counties involved
 - 2 settlement reviewers, 92 counties

Settlement Timeframes

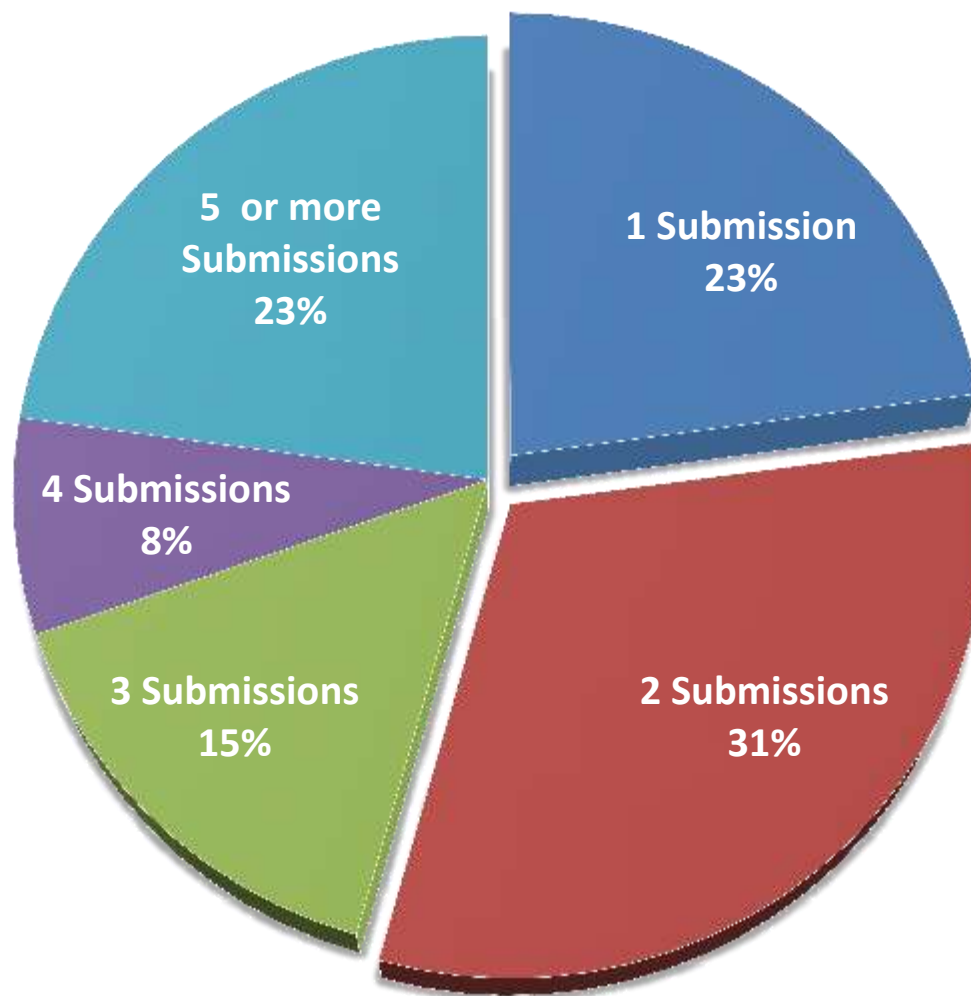
Average Time Between First Submission And Preapproval



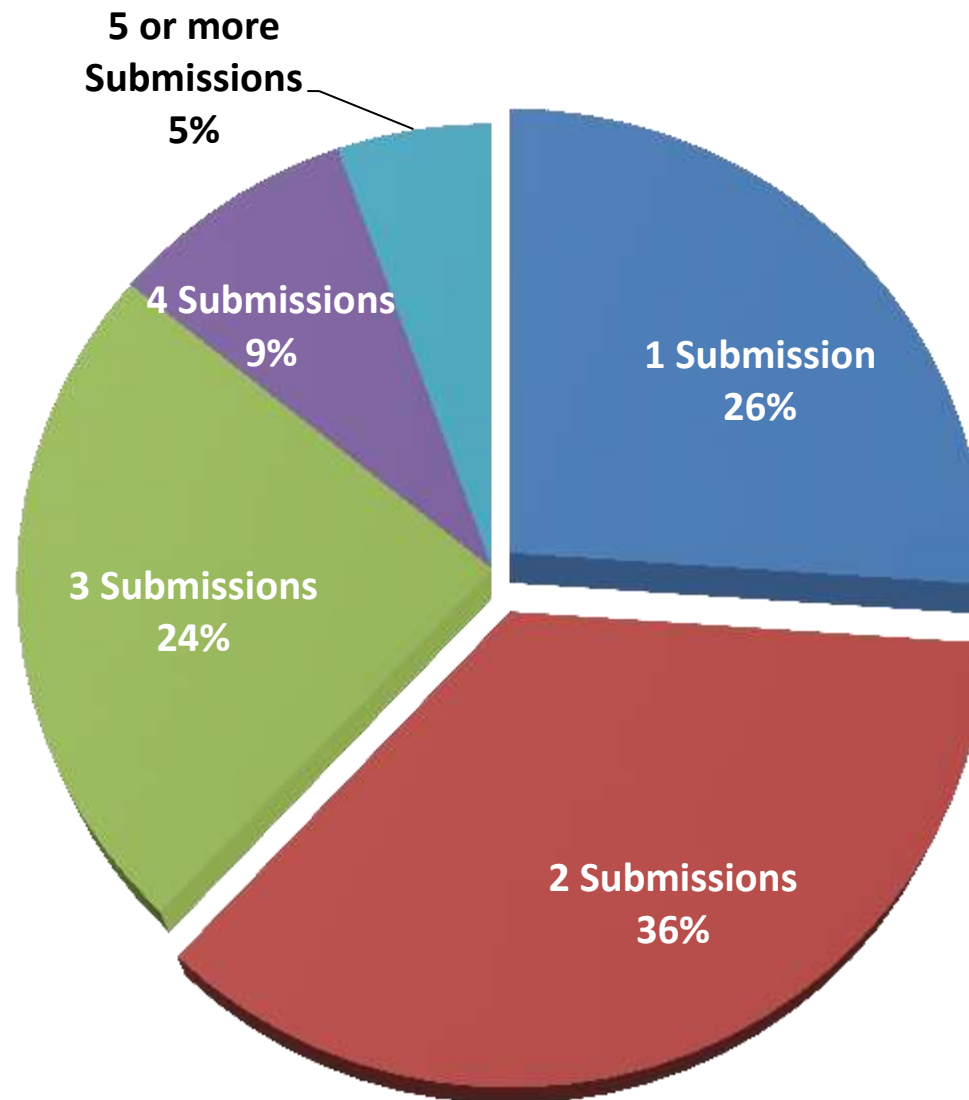
Average Number of Settlement Submissions Reviewed Before Approval Was Granted



Number Of Submissions Required In December



Number Of Submission Required In June



Forms Required From All Counties At Settlement

1. Forms completed by both Auditor and Treasurer
 1. County Treasurer's Certificate of Tax Collections Form 49TC
 2. Treasurer / Auditor Excise Tax Reconciliation Worksheet

2. Forms completed by Auditor
 1. Certificate of Error Summary
 2. Certificate of Tax refunds form 17TC
 3. Excise Tax Allocation Worksheet
 4. Settlement Sheet Form 105
 5. County form 102- section B
 6. Quietus Worksheet



Additional Forms Required As Needed

1. State and Local HSC, RES PTRC and Other Property Tax Credit Reconciliation Worksheet
2. State and Local PTRC Reconciliation Worksheet
3. Settlement of Property Tax Refund Credit (PTRC) and Homestead Credit (HSC) Form 105A



Quietus Reminder

- The Quietus is required as part of a full settlement submission
- Our review compares the relationships represented on all required and supplemental forms
- No partial submissions will be reviewed



Pre-Submission Settlement Review

- The Settlement Checklist is no longer required as part of your Settlement submission
 - We strongly encourage its use
 - The vendor checklists reference ours
 - Vendors aware of AOS data comparisons and thresholds.



Common Settlement Errors

- Form 105
 - “Section A” must be an exact restatement of the June Settlement

County Form 105
State Form 1332 (R26 /8-12)
Approved by State Board of Accounts for Miscellaneous Units, 2012
Approved by Auditor of State, 2012

		DECEMBER	SETTLEMENT SHEET FOR			ENTER NAME
		For Collection of State, County Revenue and Other Taxes for the Year				
		2013				
SECTION A	JUNE SETTLEMENT	NET TAX, PENALTY & INTEREST	PROPERTY TAX REPLACEMENT CREDIT	HOMESTEAD CREDIT	TOTAL	
1 Collections Certified by County Treasurer:						
2 Property Tax:		0.00	0.00	0.00	0.00	
3 Before Apportionment Adjustments						
4 Less: Erroneous Tax, Penalties and Interest Refunded		0.00	0.00	0.00	0.00	
5 Less: State's Share of 2008 and Prior Delinquent Tax and Penalties Collected		0.00	XXXXX	XXXXX	0.00	
6 Plus: Late Payment Penalties on Unpaid Special Assessments Collected		0.00	XXXXX	XXXXX	0.00	
7 Plus or Minus: Other Before Apportionment Adjustments		0.00	0.00	0.00	0.00	
8 Net Property Tax For Apportionment		0.00	0.00	0.00	0.00	
9 License Excise Tax For Apportionment		0.00	XXXXX	XXXXX	0.00	
10 TOTAL FOR APPORTIONMENT - Total of Lines 8 and 9		0.00	0.00	0.00	0.00	
SECTION A-1 DECEMBER SETTLEMENT						
1 CHARGES:						
2 Charges Shown on March Abstract:						
3 Current Property Taxes		0.00	0.00	0.00	0.00	
4 Late Assessment Penalty		0.00	XXXXX	XXXXX	0.00	
5 Statement Processing Charge		0.00	XXXXX	XXXXX	0.00	
6 Delinquent Taxes, Penalties and Interest		0.00	XXXXX	XXXXX	0.00	
7		0.00	0.00	0.00	0.00	
8 Additional Charges and Assessments During Year:						
9 Current Tax (Including Tax for Prior Years, Other Than Delinquent Tax Recharged)		0.00	0.00	0.00	0.00	
10 General Property Tax		0.00	0.00	0.00	0.00	
11 Mobile Home Tax		0.00	0.00	0.00	0.00	

Common Settlement Errors

- Form 105
 - “Line 7 adjustments” must be accompanied by a written explanation

County Form 105
State Form 1332 (R26 /8-12)
Approved by State Board of Accounts for Miscellaneous Units, 2012
Approved by Auditor of State, 2012

		DECEMBER	SETTLEMENT SHEET FOR			ENTER NAME
		For Collection of State, County Revenue and Other Taxes for the Year				
		2013				
SECTION A	JUNE SETTLEMENT	NET TAX, PENALTY & INTEREST	PROPERTY TAX REPLACEMENT CREDIT	HOMESTEAD CREDIT	TOTAL	
1 Collections Certified by County Treasurer:						
2 Property Tax:		0.00	0.00	0.00	0.00	
3 Before Apportionment Adjustments						
4 Less: Erroneous Tax, Penalties and Interest Refunded		0.00	0.00	0.00	0.00	
5 Less: State's Share of 2008 and Prior Delinquent Tax and Penalties Collected		0.00	XXXXX	XXXXX	0.00	
6 Plus: Late Payment Penalties on Unpaid Special Assessments Collected		0.00	XXXXX	XXXXX	0.00	
7 Plus or Minus: Other Before Apportionment Adjustments		0.00	0.00	0.00	0.00	
8 Net Property Tax For Apportionment		0.00	0.00	0.00	0.00	
9 License Excise Tax For Apportionment		0.00	XXXXX	XXXXX	0.00	
10 TOTAL FOR APPORTIONMENT - Total of Lines 8 and 9		0.00	0.00	0.00	0.00	
SECTION A-1 DECEMBER SETTLEMENT						
1 CHARGES:						
2 Charges Shown on March Abstract:						
3 Current Property Taxes		0.00	0.00	0.00	0.00	
4 Late Assessment Penalty		0.00	XXXXX	XXXXX	0.00	
5 Statement Processing Charge		0.00	XXXXX	XXXXX	0.00	
6 Delinquent Taxes, Penalties and Interest		0.00	XXXXX	XXXXX	0.00	
7		0.00	0.00	0.00	0.00	
8 Additional Charges and Assessments During Year:						
9 Current Tax (Including Tax for Prior Years, Other Than Delinquent Tax Recharged)						
10 General Property Tax		0.00	0.00	0.00	0.00	
11 Mobile Home Tax		0.00	0.00	0.00	0.00	

Common Settlement Errors

- Form 105, Section A-1
 - Line 42, “Other Before Apportionment Adjustments” must be accompanied by a written explanation

22	CREDITS				
23	Unpaid at This Settlement (Including All Charges and Assessments During Year)				
24	Current Second Installment	0.00	XXXXX	XXXXX	0.00
25	Current First Installment	0.00	XXXXX	XXXXX	0.00
26	Additional Penalty on Prior Year Second Installment Delinquent	0.00	XXXXX	XXXXX	0.00
27	Penalty Current First Installment	0.00	XXXXX	XXXXX	0.00
28	10% Penalty on Former Years' Tax Delinquent Added After May 10	0.00	XXXXX	XXXXX	0.00
29	Former Years' Delinquent Tax	0.00	XXXXX	XXXXX	0.00
30	All Penalties and Interest Unpaid (Except Lines 26, 27 and 28)	0.00	XXXXX	XXXXX	0.00
31	Total Unpaid at This Settlement - Total of Lines 24 to 30	0.00	XXXXX	XXXXX	0.00
32	Tax, Pen. and Int. Certified to Clerk of Circuit Court	0.00	XXXXX	XXXXX	0.00
33	Certificates of Error Issued During Year	0.00		0.00	0.00
34	TOTAL CREDITS - Total of Lines 31 to 33	0.00	0.00	0.00	0.00
35	TOTAL COLLECTED THIS YEAR - Line 21 minus Line 34	0.00	0.00	0.00	0.00
36	Property Tax at June Settlement - Line 2, Section A	0.00	0.00	0.00	0.00
37	AMOUNT FOR APPORTIONMENT -- Line 35 minus Line 36	0.00	0.00	0.00	0.00
38	Before Apportionment Adjustments:				
39	Less: Erroneous Tax, Penalties and Interest Refunded	0.00	0.00	0.00	0.00
40	Less: State's Share of 2008 and Prior Delinquent Tax and Penalties Collected	0.00	XXXXX	XXXXX	0.00
41	Plus: Late Payment Penalties on Unpaid Special Assessments Collected	0.00	XXXXX	XXXXX	0.00
42	Plus or Minus: Other Before Apportionment Adjustments	0.00	0.00	0.00	0.00
43	TOTAL (Lines 39 through 42)	0.00	0.00	0.00	0.00
44	NET TOTAL PROPERTY TAX FOR APPORTIONMENT (Line 37 minus Line 43)	0.00	0.00	0.00	0.00
45	License Excise Tax For Apportionment	0.00	XXXXX	XXXXX	0.00
46	TOTAL NET AMOUNT FOR APPORTIONMENT -- Total of Lines 44 and 45	0.00	0.00	0.00	0.00

SECTION C		REMITTANCE			
DUE STATE ON ACCOUNT OF		AMOUNT			
1	Infraction Judgment	0.00			
2	Overweight Vehicle Fines	0.00			

STATE OF INDIANA,	ENTER NAME HERE	COUNTY, SS:
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Common Settlement Errors

- Quietus Worksheet, Excise Tax
 - Cell “D99” needs to agree with “Remittance to State” in Cell “C81” of the Excise Tax Allocation Worksheet.

QUIETUS WORKSHEET-EXCISE TAX				
Enter County Name Here	COUNTY		SETTLEMENT	Enter Settlement Period Here
FUNDS	Gross Excise Tax for Distribution	Excise Tax Advances	Net Excise Tax for Distribution	
Fire Protection District Fund	0.00	0.00	-	
TIF-All Districts	0.00	0.00	-	
TIR Inside TIF-All Districts	0.00	0.00	-	
TIR Outside TIF-All Districts	0.00	0.00	-	
Total	-	-	-	
				Add: Excise Tax Allocation Deduction amount (Quietus to Settlement Fund, or Excise Tax Allocation Due State Fund & Check to State with Settlement Filing)
			0.00	
				Total Excise Tax Quietus (Net Excise Tax for Distribution Plus Excise Tax Allocation Deduction Amount)
			0.00	

Common Settlement Errors

- Quietus Worksheet, Excise Tax
 - Cell “D99” needs to agree with “Remittance to State” in Cell “C81” of the Excise Tax Allocation Worksheet.

[illegible]

Common Settlement Errors

- Quietus Worksheet, Excise Tax
 - Cell “D99” needs to agree with “Remittance to State”, and also line 5 of the Auditor / Treasurer Excise Recon Worksheet

COUNTY TREASURER AND COUNTY AUDITOR EXCISE TAX RECONCILIATION AT SETTLEMENT				
Enter amounts as positive amounts.				
COUNTY	AOS			
SETTLEMENT	December 2015	ENTER CUT-OFF DATE	Date	
1.) COUNTY TREASURER CERTIFIED EXCISE TAX		0.00		
(License Excise Tax Collected Line of the 49TC and should also be the Total Excise Tax on Cashbook at Settlement Certification)				
2.) PLUS: EXCISE TAX ADVANCE TOTAL		0.00		
(See Note at the bottom of this worksheet)				
(The Excise Tax Certified and the amount on the Cashbook should have been reduced by the Excise Tax Advances)				
3.) MINUS: EXCISE TAX TO BE DISTRIBUTED AT SETTLEMENT		0.00		
(Column 12 of the 49TC)				
4.) MINUS: EXCISE TAX TO BE DISTRIBUTED TO COUNTY GENERAL FUND FOR REIMBURSEMENT OF WATERCRAFT OR BOAT EXCISE TAX		0.00		
(See Note at the bottom of this worksheet)				
5.) MINUS: WELFARE & SCHOOL EXCISE TAX ALLOCATIONS		0.00		
(Enter the amount from the excise tax allocation worksheet)				
6.) EQUALS TREASURER AND AUDITOR EXCISE TAX DIFFERENCE		0.00		

Requirements For Pre Approval

- All Complete and correct forms
 - This years forms from the FTP site
 - All applicable forms required for review
- Correct apportionment
 - County Form 102-B
- Responses to AOS inquiries
 - Any additional support requested

Final Approval

- Receipt of settlement funds
 - Section C amounts (fines and Fees)
 - SWETA, and school excise tax allocations due the state
 - State's portion of 2008 & prior delinquent tax collections (if applicable)
 - PTRC and state HSC due the state
 - Receipt of outstanding payments due the state including;
 - Judges Supplemental
 - Fines and forfeitures
 - Any other outstanding payments
- State Form 105 follow-up
 - Two copies mailed to counties
 - One copy returned with signature to AOS

The background of the slide features a large, faded seal of the State of Indiana. The seal is circular with a gold border. Inside the border, the words "SEAL OF THE STATE OF INDIANA" are written in a circular path. At the bottom of the seal, the year "1816" is inscribed. The central part of the seal depicts a landscape with a river, a bridge, and a rising sun over mountains.

Excise and Housekeeping

Fred Van Dorp

Excise

Although often referred to as plainly ‘excise,’ we are looking at the collections, distributions, and accounting of five separate revenue sources processed at two county government offices by five points of contact at three State agencies then reported on three separate sheet during the Settlement process.

Excise Type	Distributing Agency	Point of Contact
Watercraft (Boat)*	BMV	Tamytha Cooper
Excise Replacement (Lottery)	AOS	Settlements Department
Auto Rental	DOR	Yusuf Nurain
Aircraft Rental	DOR	David Paquette
Excise Wheel and Surtax	DOR	Randy Boone

In October 2015, BMV will begin processing the Boat and Education Plate distributions to the counties.

Excise Imbalances

As complicated it sounds, excise accounting represents a closed loop. Regardless of the number entities participating in the process, both the auditor and treasurer need to be able to account for all excise transactions during the settlement period.

As of the cut off date:

- AUDITOR will provide excise tax posted to the excise tax ledger.
- TREASURER will certify on the 49TC what was posted on the cashbook.

During settlement, the excise information will be reported to the State on the:

1. 49TC
2. COUNTY TREASURER AND COUNTY AUDITOR EXCISE TAX RECONCILIATION AT SETTLEMENT (Excise Recon)
3. EXCISE ALLOCATION SPREADSHEET

Foundation of Excise Tax Accounting

1. Solid excise accounting is accomplished by leaving no gaps
2. Gaps occur when not all excise tax transactions are accounted for
3. The key to maintaining excise tax balances is timely accounting and good communications between the treasurer and the auditor
4. Monthly treasurer and auditor excise tax balances reconciliation is recommended, must be reconciled at settlement or settlement doesn't get approved
5. On the treasurer's side post all deposits, receipts, disbursements and adjustments of excise tax to the cash book
6. On the auditor's side post all receipts, disbursements and adjustments of excise tax to the excise tax ledger

Excise Imbalances

- Although all three files were required, completed, and submitted to AOS during the Settlement, we received submissions with an reconcilable difference.

Settlement Period	Percentage of Counties Reporting Excise Imbalance
December 2014	20%
June 2015	15%

- In June 2015, there was more than \$1M in unreconciled differences reported at Settlement. These imbalances were been noted, and shared with SBOA, but did not prevent Pre or Final approval.

Excise Timing Differences vs. Excise Imbalances

Excise timing differences are unavoidable, and the excise reconciliation spreadsheet is designed to account for timing differences inherent in the process based on the cut off dates and sources of information maintained by the Auditor and the Treasurer.

6.)	EQUALS TREASURER AND AUDITOR EXCISE TAX DIFFERENCE	0.00
7.)	PLUS: AUDITOR OF STATE EXCISE TAX CUT REPLACEMENT DISTRIBUTION INCLUDED BY COUNTY AUDITOR IN EXCISE TAX, BUT NOT RECEIVED BY COUNTY TREASURER BY TREASURER CERTIFICATION DATE AND NOT INCLUDED IN TREASURER'S CERTIFIED AMOUNT	0.00
	(See Note at the bottom of this worksheet)	
8.)	MINUS: EXCISE TAX RECEIVED AFTER THE AUDITOR CUT-OFF DATE	0.00
	(See Note at the bottom of this worksheet)	
	(This is the excise tax received by the treasurer after the auditor's cut-off date and included in the treasurer's certification, but not included in the auditor's excise tax)	
9.)	PLUS: EXCISE TAX INCLUDED BY COUNTY AUDITOR IN EXCISE TAX AND IS EXCISE TAX RECEIVED WITHIN THE COUNTY AUDITOR'S EXCISE TAX CUT-OFF DATE, BUT NOT YET POSTED TO THE COUNTY TREASURER'S CASH BOOK AND NOT INCLUDED IN THE TREASURER'S CERTIFIED AMOUNT	0.00
	(See Note at the bottom of this worksheet)	

Excise Imbalances

- The Excise Recon sheet is designed to help identify excise imbalances at Settlement.
- **Line 10 must equal zero, or be researched further by both the auditor and treasurer.**
- If the amount cannot be reconciled, and has remained static for two consecutive Settlements, AOS can provide assistance in distributing the remaining balance or withholding the amount to be distributed to the taxing districts.

10.)	EQUALS: RECONCILED DIFFERENCE		0.00
		(Reconciled difference amount should be zero, if not zero, then the difference should be resolved before the Settlement is continued. If the difference is not resolved at the current Settlement, then it must be resolved by the next settlement. If not resolved by the next settlement, then the difference must be distributed at the next settlement using the auditor of state's undistributed excise tax instructions. Also, procedures must be put in place to prevent future differences.)	

Excise Reconciliation

The Auditor's Office is recommending periodic, ideally monthly, excise reconciliations to identify gaps in the excise collection and recording process.

- During the Settlement season, there is not enough time to research, resolve, and report.
- Monthly reconciliations reduce the number of transactions included in the group.

Settlement Cut Off Dates

On May 21, 2015, the first June Settlement was submitted to the Auditor's office. This Settlement was a preapproved later that day. On November 21, 2014, the first December Settlement was submitted to the Auditor's office. Each county was able to submit so early due to a combination of pre-Settlement planning, experience, and excise cut off date selection.

- For the June and December Settlements, many counties use an excise cut off date of April 30 and October 31.
 - As of June 30, 76 out of 92 counties are using April – October cutoff dates.
 - There is nothing wrong with either of these dates, but it does impact how early the Settlement excise calculations can actually begin.
- The excise cut off selection can have a significant impact on the timing of Settlement.
 - With the lag time between the transaction date and deposit/report dates, each county should consider the advantages and disadvantages to using the earlier cutoff dates for the June and December Settlement of March 31 and September 30, respectively.

Settlement Cut Off Dates

Option	Calendar Year	Excise Date Range	Distribution Date*
A	2014	April 1 – April 30	May 29, 2014
A	2014	Oct 1 – Oct 31	Dec 1, 2014
B	2014	March 1 – March 30	May 9, 2014
B	2014	Sept 1 – Sept 30	Oct 28, 2014

The Distribution Dates will vary from period to period and year to year based on when the information available. The dates listed represent the day in which the BMV posted the excise information. The Auditor's office calculates and the distributes the county the excise information within 24 hours of it being made available. The actual payments were likely not received at the county for two business days.

Settlement Cut Off Dates

Option	Calendar Year	Excise Date Range	Distribution Date
B	2015	March 1 – March 30	April 23, 2015
A	2015	April 1 – April 30	May 26, 2015

- For the Spring Settlement, the counties using the March – September combination of cutoff dates had an additional 33 days to work on Settlement compared to counties using the April – October combination.
- Please reach out to your County Treasurer to evaluate whether or not it makes sense for your county change their cut off dates.
 - This presentation is comparable to a presentation that was given at the August Treasurer's Conference.
 - There is no enrollment, submission, or official form required for changing the cut off date.

Printing

The Settlement Department still has to iron out some of the issues with printing and distributing the abstract and the June 105 forms.

- Next year, the abstracts should be arrive in a significantly more timely manner.

The June 105 forms were printed and placed in the mail earlier this week.

- Please sign both, keep one for your records and mail one back to our office.

AOS Notifications

In January, after Settlement, AOS will begin requesting information from the counties to relating staff contact information, judges supplemental participation, county engineer employment, etc.

- Since May, we have learned about an annexation leading to a population change, a disputed census leading to a population change, and a late enrollment into the judges supplemental wages program.
- If there are changes during the course of the year, it is important that our office is made aware.

Changes involving BMV

There have been two major changes relating to processes involving the BMV that will be going into effect in the next two months.

1. Beginning in Oct 2015, the BMV will begin distributing the monthly Watercraft and Ed Plate.
 - No change from a county perspective.
2. On October 16th, BMV forwarded a memo to the county representatives about upcoming changes to the FTP site.
 - On November 20, 2015, all data older than 60 days will be purged from the FTP site.

“TREAS 310”

The State of Indiana is not the only entity making electronic payments to county offices. On your bank statements, Federal electronic payments all contain a reference to TREAS 310.



The TREAS 310 refers to Kansas City Regional Finance Center of the Federal treasury.

- Kansas City Regional Finance Center
- Telephone Number - 855-868-0151
- https://www.fms.treas.gov/faq/payments_why.html

Contact Information

State Auditor Website:	www.in.gov/auditor
Settlement Department Information:	www.in.gov/auditor/departments/settlements
Group E-mail:	settlements@auditor.in.gov
Fred Van Dorp - Settlement Director	
E-mail:	fvandorp@auditor.in.gov
Phone Number:	(317) 232-3309
Ryan Petter - Settlement Specialist	
E-mail:	rpetter@auditor.in.gov
Phone Number:	(317) 234-8885
Joseph Jacoby - Settlement Specialist	
E-mail:	jjacoby@auditor.in.gov
Phone Number:	(317) 234-1667

Excise Contact Information

Excise Type	Contact Name	Email Address	Telephone Number	Agency
Lottery	Settlement Dept	Settlements@auditor.in.gov	N/A	AOS
Watercraft (Boat)	Tamytha Cooper	tcooper@bmv.in.gov	317-232-6438	BMV
Education Plate	Tamytha Cooper	tcooper@bmv.in.gov	317-232-6438	BMV
Aircraft	Dave Paquette	dpaquette@dor.in.gov	(317) 615-2659	DOR
Auto Rental	Yusuf Nurain	nyusuf@dor.in.gov	317-232-2177	DOR
Excise Wheel and Surtax	Randy Boone	rboone@dor.in.gov	317-615-7212	DOR

Indiana Auditor of State New Policy Update



E-Payments to AOS will include:

- Fines and Forfeitures
- County, City, and Small Claims Court Costs
- Fines and Fees
- All Settlement Related Collections



Feel Free to Contact Me:

Mike Cunningham

AOS Legislative and Policy Director

mcunningham@auditor.in.gov

317-232-3336



The background of the slide features the Seal of the State of Indiana. It is a circular emblem with a gold border. Inside the border, the words "SEAL OF THE STATE OF INDIANA" are written in a circular path. The center of the seal depicts a landscape with a river, mountains, and a sun rising over the horizon.

Thank you!

Auditor of State

Settlement Department

Settlements@auditor.in.gov

www.in.gov/auditor